

LAW OFFICES  
**MILES & STOCKBRIDGE**

A PROFESSIONAL CORPORATION

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MCLEAN, VA  
ROCKVILLE, MD  
TOWSON, MD  
WASHINGTON, D.C.

JOHN A. STALFORD  
410-385-3424

December 12, 1997

via FEDERAL EXPRESS

Surface Transportation Board  
1925 K Street, N.W.  
Washington, D.C. 20423-0001  
Attention: Mrs. Janice Fort  
Recordation

RECORDATION NO. 21068 FILED

DEC 15 '97

10-44AM

RECORDATION NO. 21068-A FILED

DEC 15 '97

10-44AM

Re: Our File No.: 258-1788

Dear Mrs. Fort:

Enclosed for filing as a primary document pursuant to the provisions of 49 U.S.C. 11301(a) are one original and one notarized copy of the following document:

*Primary*

Memorandum of Lease of Railroad Equipment dated as of December 3, 1997 between Philip W. Hoffman (970 Los Vallecitos Boulevard, Suite 224, San Marcos, California 92069) and Union Pacific Railroad Company (1416 Dodge Street, Omaha, Nebraska 68179)

Also enclosed for filing as a secondary document are one original and one notarized copy of the following document:

*A*

Assignment of Lessor's Interest in Leases dated December 12, 1997 by Philip W. Hoffman (970 Los Vallecitos Boulevard, Suite 224, San Marcos, California 92069) in favor of The First National Bank of Maryland (25 South Charles Street, Baltimore, Maryland 21201) which relates to the above-referenced Memorandum of Lease of Railroad Equipment.

Also enclosed are two (2) checks, each in the amount of \$24.00 to cover the costs of recording the enclosed documents.

Page 2

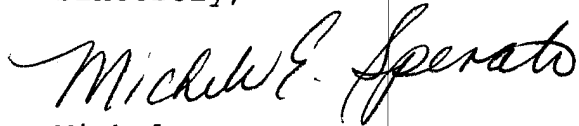
**MILES & STOCKBRIDGE**

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Once these documents have been recorded, please return the same to the undersigned.

Thank you for your prompt attention to this matter. Please call me at (410) 385-3425 if you have any questions.

Sincerely,

A handwritten signature in cursive script, reading "Michele E. Sperato". The signature is written in dark ink and is positioned above the printed name.

Michele E. Sperato  
Secretary to John A. Stalfort

Enclosures

STATE OF MARYLAND

CITY OF BALTIMORE, TO WIT:

THIS IS TO CERTIFY that the attached Memorandum of Lease of Railroad Equipment is a true and complete copy of such Memorandum of Lease of Railroad Equipment.

WITNESS my hand and seal this 12<sup>th</sup> day of December, 1997.

Michael E. Sperato  
Notary Public

My Commission Expires: January 28, 2001

RECORDATION NO. 21068 FILED

DEC 15 '97

10-44 AM

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**MEMORANDUM OF LEASE OF RAILROAD EQUIPMENT**

dated as of <sup>December</sup>~~October~~ 3, 1997

between

**PHILIP W. HOFFMAN**

as Lessor

and

**UNION PACIFIC RAILROAD COMPANY**

as Lessee

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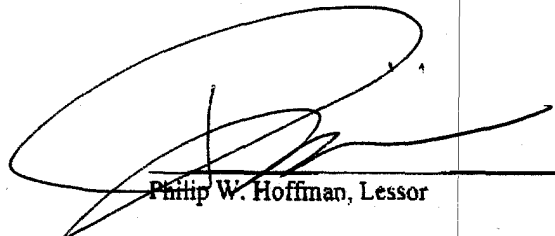
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MEMORANDUM OF LEASE OF RAILROAD EQUIPMENT

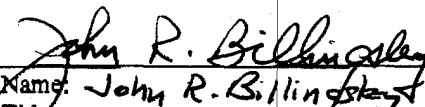
THIS MEMORANDUM OF LEASE OF RAILROAD EQUIPMENT is made and entered into as of ~~October 1~~ <sup>December 12</sup>, 1997 by and between PHILIP W. HOFFMAN, an individual ("Lessor"), and UNION PACIFIC RAILROAD COMPANY, a Utah corporation ("Lessee"), with reference to the following:

1. Lessor has agreed to lease to Lessee, and Lessee has agreed to lease from Lessor, certain locomotives as described on Exhibit A attached hereto and made a part hereof, all as more particularly described in that certain Lease of Railroad Equipment dated as of July 20, 1992 (the "Original Lease"), between H&G Locomotive Company, a California limited partnership, and Lessee.
2. The Original Lease was assigned by H&G Locomotive Company to Hoffman Pacific Corporation, a California corporation, which was subsequently merged into Hoffman Pacific Corporation, a Nevada corporation.
3. Pursuant to an Assignment and Assumption Agreement dated as of December 1, 1996, the Original Lease was assigned by Hoffman Pacific Corporation, a Nevada corporation, to Lessor.
4. The Original Lease was amended by the First Amendment to Lease of Railroad Equipment dated as of August 1, 1997 between Lessor and Lessee (the Original Lease as so amended being hereinafter referred to as the "Lease").
5. The Lease was effective as of July 20, 1992 and the term of the Lease with respect to each locomotive is as set forth in the Lease.

IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum of Lease of Railroad Equipment to be executed as of the date first above written.

  
Philip W. Hoffman, Lessor [SEAL]

UNION PACIFIC RAILROAD COMPANY, Lessee

By:  [SEAL]  
Name: John R. Billingsley  
Title: manager Lessee

EQUIPMENT DESCRIPTION

Four (4) General Motors Corporation (Electromotive Division) Model SW-1500, 1,500 H.P., diesel electric switching locomotives bearing the following reporting marks and numbers:

UP 1324

UP 1325

UP 1326

UP 1327

STATE OF CALIFORNIA, CITY OF SAN MARCOS, TO WIT:

On this \_\_\_\_\_ day of October, 1997, before me appeared, Philip W. Hoffman, one of the parties of the foregoing instrument, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, who signed the same in my presence, acknowledged that the foregoing instrument is his act and that he executed the same for the purposes contained therein.

WITNESS my hand and Notarial Seal.

*See Attached Jurat*

[Notarial Seal]

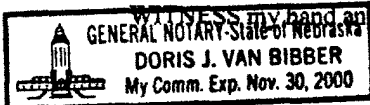
\_\_\_\_\_  
Notary Public

My commission expires:

STATE OF NE, CITY OF Omaha, TO WIT:

On this 3<sup>rd</sup> day of December, 1997 before me appeared, John Billingsley, to me personally known, who being by me duly sworn, says that he is a Mr. Leases of Union Pacific Railroad Company, a Utah corporation, that said instrument was signed and sealed on October 3, 1997 on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

*December*



Notarial Seal.

[Notarial Seal]

*Doris J. Van Bibber*  
Notary Public

My commission expires:

*Nov. 30, 2000*

# CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California  
County of

San Diego

On 10-24-97 before me,

(Date)

Susan D. Parker, Notary

(Name, Title of Notary Officer)

Public

personally appeared

Philip W. Hoffman

(Name of Signer(s))

☒ personally known to me OR

proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

[Signature]  
Signature of Notary

## OPTIONAL

Though the data below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent reattachment of this form.

### CAPACITY CLAIMED BY SIGNER

☐ Individual  
☐ Corporate Officers  
\_\_\_\_\_  
Title(s)  
☐ Partner(s) ☐ Limited  
☐ General  
☐ Attorney-in-Fact  
☐ Trustee(s)  
☐ Guardian/Conservator  
☐ Other: \_\_\_\_\_

### DESCRIPTION OF ATTACHED DOCUMENT

\_\_\_\_\_  
Title or Type of Document  
\_\_\_\_\_  
Number of Pages  
\_\_\_\_\_  
Date of Document

### SIGNER IS REPRESENTING:

Name of person(s) or Entity(ies)

Signer(s) other than named above.